



IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re application of:	)	Attorney Docket No. 103
Burkhalter, Swinton B.	)	
	)	
Application No.: 09/775,336	)	
	)	
Filed: February 1, 2001	)	
	)	
For: INSURANCE SYSTEM AND	)	
METHOD WITH	)	
DISPROPORTIONAL	)	
ALLOCATION	)	
	)	
Examiner: Kalinowski, Alexander G.	)	
	)	
Art Unit: 3626	)	
	)	
Confirmation No.: 9210	)	

REMARKS

Claims 1-16 are in the application.

An editorial amendment has been made to the specification by substituting the word "favored" for the word "favorite."

Claims 1-16 are rejected under section 103 based on Sexton et al. U.S. 5,752,236 (Sexton) in view of an article by Norris entitled *Satisfactory Arrangements: Hooking Up With A Property-Casualty Agency* which appeared in *Life Association News*, which is stated to have appeared in September, 1997.

The Cited References

The Sexton reference concerns only life insurance and discloses a single life policy which is divided into two or more separate but related policies with a disproportional allocation of death benefits, premium obligations and cash values. There is no disclosure or even suggestion

that non-life policies be involved in a disproportional allocation method. The entire disclosure is directed only to life insurance.

The Norris article concerns the experiences of agents/brokers, such as Mr. Fallon, who sells life insurance policies, joining with agents/brokers, such as Mr. Sullivan, who sells property and casualty policies. The thrust of the article is that a life insurance agent will expand his list of potential customers by joining with an agent who sells property and casualty. The Norris article focuses on selling a full spectrum of existing insurance policies, and that different agents with differing expertise can create an expanded insurance agency that acts much like an insurance supermarket. However, there is no disclosure or even suggestion that this supermarket insurance agency creates and sells new forms of product. The only products discussed are those that already exist.

There is no disclosure or suggestion in either of the cited references to combine, nor is there any disclosure or suggestion in a combination of the cited references to create a new policy with combined coverages, such as life, health, disability, property or casualty and to form that policy of combined coverages into two or more separate but related policies.

Finally, the Office Action appears to indicate that the motivation for combining Norris and Sexton is to generate cross selling activities. That notion is disclosed in Norris but not in Sexton and is irrelevant regardless. The concept of cross selling goes back to the notion of bringing different agents together to offer a supermarket of existing insurance policies. Sexton is concerned only with a new form of life insurance. Hence, the supermarket might sell the Sexton program, but there is no teaching or suggestion in the combined references that the supermarket also goes into the business of developing new products to sell. That would put a selling

organization into direct competition with that organization's suppliers and into a totally different type of business.

### The Claims

Claim 1 includes in the method, among other limitations, the following limitations of "choosing and forming a life insurance product", "choosing and forming a long-term care product", "forming. . .two separate but related insurance policies" and "disproportionately allocating expenses, benefits and obligations regarding said policies among said at least two separate but related policies."

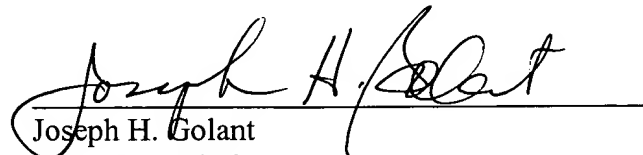
Claims 11 and 14, the other independent claims in the application, have similar limitations.

As mentioned earlier, the Sexton reference concerns only life insurance policies. The Norris reference adds nothing other than confirming the existence of a number of other policies besides life policies. There is no disclosure or suggestion that Sexton and Norris be combined and even if combined, they still do not disclose all of the limitations found in the claims of the subject application. Combining Sexton and Norris is merely hindsight construction.

In view of the above, the Examiner is respectfully requested to reconsider the rejection of claims 1-16.

Dated: October 20, 2004

Respectfully submitted,



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